MEMORANDUM OF REDEVELOPMENT AGREEMENT

PREPARED BY AND AFTER RECORDING RETURN TO:

99557362

Mark Yates, Esq. Sonnenschein Nath and Rosenthal 233 South Wacker 8000 Sears Tower Chicago, IL 50606

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Cook County Recorder

39.00

This Memorandum concerns a Redevelopment Agreement made and entered into as of the 23<sup>rd</sup> day of October, 1998 between AHC Evanston LLC ("Developer") and the City of Evanston, a municipal corporation ("City"), as amended by that certain First Amendment to Redevelopment Agreement dated November 23, 1998 and that certain Second Amendment to Redevelopment Agreement of dated June 7, 1999

The Redevelopment Agreement was entered into pussuant to the "Downtown II Redevelopment Plan and Redevelopment Project," duly adopted by the City of Evanston and provides for both a private and a public development.

The private development is to be constructed on the portion of the Subject Property referred to as the "Developer Property" and is planned to consist of a multi-screen movie theatre and cinema, to be built on the Main Pavilion Parcel, a hotel to be built on the Hotel Parcel, a residential building to be built on the Residential Parcel and retail space to be built on the Main Pavilion, Mini-Anchor and Residential Parcels. The public development shall be constructed upon the portion of the Subject Property referred to as the "City Property" and consists of a

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public parking garage to be built upon the Parking Parcel and, possibly, a senior citizens center to be built on the Parcel South of Church Street.

This Memorandum does not set forth all of the material terms or conditions of the Redevelopment Agreement. This Memorandum is not intended to, and does and shall not, amend, modify, diminish or affect in any way the Redevelopment Agreement or the construction or interpretation thereof or any rights or objections of any of the parties thereto. The sole purpose of this Memorandum of Redevelopment Agreement is to give notice of the Development Agreement and of certain terms, covenants and conditions. The legal description of the Subject Property is attached hereto as Exhibit 1 and made a part hereof by reference.

The Redevelopment Agreement and this Memorandum shall expire in accordance with its terms, but in no event later than December 31, 2008, except with respect to (i) those agreements contained in Paragraphs 40, 48, 49, 50, 51 and 53 of the Redevelopment Agreement a copy of which is attached hereto as Exhibit 2 and made a part hereof by reference, (ii) those covenants contained in any deed, lease, mortgage, deed of trust, contract or other instrument of transfer made in accordance with the provisions of the Redevelopment Agreement, and (iii) the City's covenant to use and operate the Church Street frontage of the Parcel South of Church Street shall be used solely for retail purposes for so long as the Church Street frontage of the Main Pavilion Parcel or the Mini-Anchor Parcel is used primarily for retail purposes.

[Signatures appear on following page.]

IN WITNESS WHEREOF this Mer	morandum of Redevelopment Agreement has been
executed on behalf of the Developer and ha	as been duly authorized and approved by the City
Council of the City of Evanston, Cook Cou	inty, Illinois, and duly authorized, approved and
executed by Roser Cram	for the City and by the
Developer as of thisday of June, 1999	9.
AHC EVANSTON, LLC  BY  AHC MANAGEMENT, INC.  AN ILLINOIS CORPOPATION,  MANAGER  BY Arma T. Hill  ITS Resident	CITY OF EVANSTON  BY CITY MANAGER

ATTEST

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STATE OF Illinois )		
COUNTY OF Cook ) ss.		
Evanston, LLC, an Illinois limited li whose name is subscribed to the foregacknowledged that as such reste	a notary public in and for said County, in the held personally known to me to be the AHC Management, Inc., an Illinois corporation in the design of the personal personally known to me to going instrument, appeared before me this day that he signed and delivered the said city, for the uses and purposes therein set for	tion, Manager of AHC be the same person y in person and and instrument as the
GIVEN under my hand and o	official seal this $\frac{1}{2}$ day of $\frac{\sqrt{une}}{\sqrt{une}}$ 1999.	
	Ellen Lolourg  Notary Public Commission expires	OFFICIAL SEAL ELLEN LEBOWICZ NOTARY PUBLIC, STATE OF ILL MY COMMISSION EXPIRES 1-20
	0/2	
State of Illinois )  Ounty of Cook  Ounty of Cook	Coupe	
certify that <u>Koger Crum</u> perso Evanston, Illinois, a home rule unit who was to me to be the same person where this day in person and acknown to me this day in person and acknown to the control of the	tary Public in and for said County, in the state mally known to me to be the C to Marcoel of local government located in Cook County whose name is subscribed to the foregoing instrument located that as such C to Marcoel that lountary act, for the uses and purposes there is	of The City of Illinois, personally rument, appeared he signed and delivered
Given my hand and notarial s	eal this <u>1</u> day of <u>1 une</u> , 1999.	115.
	Ellen Lelvu Notary Public	rg
	My commission expires:	<del></del>
	ELLEN I Notary Public	IAL SEAL LEBOWICZ C, STATE OF ILLINOIS NEXPIRES 1-26-2002

#### **Legal Description**

Parcel 1 (Main Pavilion)

LOT 1 OF THE CHURCH MAPLE RESUBDIVISION BEING A RESUBDIVISION OF PART OF DEMPSTER'S SUBDIVISION OF BLOCK 66 OF THE VILLAGE OF EVANSTON, COOK COUNTY, ILLINOIS; PART OF THE CHICAGO AND NORTHWESTERN RAILROAD RIGHT OF WAY (FORMERLY CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD RIGHT OF WAY); PART OF BLOCK 18 IN THE VILLAGE OF EVANSTON; ALL OF BLOCKS 2 AND 3 IN CIRCUIT COURT SUBDIVISION IN PARTITION OF LOT 22 IN THE COUNTY CLERK'S DIVISION OF UNSUBDIVIDED LANDS; AND PART OF VACATED CLARK STREET AND EAST RAILROAD AVENUE; BEING IN THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE CITY OF EVALUTOR, COOK COUNTY, ILLINOIS.

Parcel 2 (Mini-Anchor)

LOT 2 OF THE CHURCH MAPLE RESUBDIVISION BEING A RESUBDIVISION OF PART OF DEMPSTER'S SUBDIVISION OF BLOCK 66 OF THE VILLAGE OF EVANSTON, COOK COUNTY, ILLINOIS; PART OF THE CHICAGO AND NORTHWESTERN RAILROAD RIGHT OF WAY (FORMERLY CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD RIGHT OF WAY); PART OF BLOCK 18 IN THE VILLAGE OF EVANSTON; ALL OF BLOCKS 2 AND 3 IN CIRCUIT COURT SUBDIVISION IN PARTITION OF LOT 22 IN THE COUNTY CLERK'S DIVISION OF UNSUBDIVIDED LANDS; AND PART OF VACATED CLARK STREET AND EAST RAILROAD AVENUE; BEING IN THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THULD PRINCIPAL MERIDIAN, IN THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS.

Parcel 3 (Residential)

LOT 3 OF THE CHURCH MAPLE RESUBDIVISION BEING A RESUBDIVISION OF PART OF DEMPSTER'S SUBDIVISION OF BLOCK 66 OF THE VILLAGE OF EVANSTON, COOK COUNTY, ILLINOIS; PART OF THE CHICAGO AND NORTHWESTER'N RAILROAD RIGHT OF WAY (FORMERLY CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD RIGHT OF WAY); PART OF BLOCK 18 IN THE VILLAGE OF EVANSTON; ALL OF BLOCKS 2 AND 3 IN CIRCUIT COURT SUBDIVISION IN PARTITION OF LOT 22 IN THE COUNTY CLERK'S DIVISION OF UNSUBDIVIDED LANDS; AND PART OF VACATED CLARK STREET AND EAST RAILROAD AVENUE; BEING IN THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS.

Parcel 4 (Parking)

LOT 4 OF THE CHURCH MAPLE RESUBDIVISION BEING A RESUBDIVISION OF PART OF DEMPSTER'S SUBDIVISION OF BLOCK 66 OF THE VILLAGE OF EVANSTON, COOK COUNTY, ILLINOIS; PART OF THE CHICAGO AND NORTHWESTERN RAILROAD RIGHT OF WAY (FORMERLY CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD RIGHT OF WAY); PART OF BLOCK 18 IN THE VILLAGE OF EVANSTON; ALL OF BLOCKS 2 AND 3 IN CIRCUIT COURT SUBDIVISION IN PARTITION OF LOT 22 IN THE COUNTY CLERK'S DIVISION OF UNSUBDIVIDED LANDS; AND PART OF VACATED CLARK STREET AND EAST RAILROAD AVENUE; BEING IN THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 4) NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS.

Parcel 5 (Hotel)

LOT 5 OF THE CHURCH MAPLE RESUBDIVISION BEING A RESUBDIVISION OF PART OF DEMPSTER'S SUBDIVISION OF BLOCK 66 OF THE VILLAGE OF EVANSTON, COOK COUNTY, ILLINOIS; PART OF THE CHICAGO AND NORTHWESTERN RAILROAD RIGHT OF WAY (FORMERLY CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD RIGHT OF WAY); PART OF BLOCK 18 IN THE VILLAGE OF EVANSTON; ALL OF BLOCKS 2 AND 3 IN CIRCUIT COURT SUBDIVISION IN PARTITION OF LOT 22 IN THE COUNTY CLERK'S DIVISION OF UNSUBDIVIDED LANDS; AND PART OF VACATED CLARK STREET AND EAST RAILROAD AVENUE; BEING IN THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE CITY OF EVANSTON, COOK COUNTY, ILLINO'S

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Legal Description of Parcel South of Church Street

PARCEL 1: THAT P'XT OF DEMPSTER'S SUBDIASION OF BLOCK 66 OF EVANSTON, COOK COUNTY, ILLINOIS, ACCORDING TO THE RECORDED PLAT THEREOF, BOUNDED AND DESCRIBE) A', FOLLOWS: START AT THE NORTHEAST CORNER OF LOT 1 IN SAID BLOCK 66; THENCE WEST ALONG THE NORTH LINE OF LOTS 1, 2 AND 3 IN SAID BLOCK 66 / DISTANCE OF 64.36 FEET TO THE POINT OF BEGINNING OF THE LAND TO BE DESCRIBED; THENCE CONTINUE WEST ALONG THE NORTH LINE OF LOTS 3 AND 4, S.N.4 FEET TO THE NORTHWEST CORNER OF SAID LOT 4; THENCE SOUTH ALONG THE WEST LINE OF SAID LOT, 99.74 FEET TO THE SOUTHWEST CORNER THEREOS; PLENCE WEST ALONG THE NORTH LINES OF LOTS 16, 15, 14 AND 13, 161.86 FEET TO THE EASTERLY BOUNDARY LINE OF THE RIGHT OF WAY OF THE CHICAGU A'D NORTHWESTERN RAILWAY COMPANY; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID RIGHT OF WAY, WHICH EASTERLY LINE IS ALSO THE WESTERLY LINE OF DEMPSTER'S SUBDIVISION OF SAID BLOCK 66, 398.75 FEET TO THE SOUTHWEST CORNER OF LOT 27 IN SAID BLOCK; THENCE EAST ALONG THE SOUTH LINE OF SAID LOT. 27, 6.78 FEET; THENCE NORTHWESTERLY ON A STRAIGHT LINE HEREINAFTER REFERRED TO AS LINE A-B, 51.3 FEET, MORE OR LESS, TO A POINT WHICH S 68.22 FEET WEST AND 51 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 29 IN SAID DEMPSTER'S SUBDIVISION OF SAID BLOCK 66; THENCE NORTHEAST CORNER OF LOT 1 OF SAI/ DEMPSTER'S SUBDIVISION OF BLOCK 66; THENCE NORTHEAST CORNER OF LOT 1 OF SAI/ DEMPSTER'S SUBDIVISION OF BLOCK 66; THENCE NORTHEASTERLY ON A STRAIGHT LINE 24.44 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2: ALL THAT PART OF LOT 27 OF DEMPSTER'S SULDIVINION OF SAID BLOCK 66 LYING EASTERLY OF A LINE RUNNING FROM A POINT IN THE SOUTH BOUNDARY LINE OF LOT 27, 6.78 FEET EAST OF THE SOUTHWEST OF NURSE OF SAID LOT 27 AND RUNNING NORTHWESTERLY 51.3 FEET, MORE OR LESS, TO A POINT WHICH IS 68.22 FEET WEST AND 51 FEET NORTH OF THE SOUTHWEST CORNER OF LOT 29 IN SAID DEMPSTER'S SUBDIVISION OF SAID BLOCK 66 (HEREINAFTER REFERRED TO AS LINE A-B) AND WESTERLY OF A STRAIGHT LINE WHICH INTERSECTS THE SOUTH LINE OF SAID LOT 27 AT A DISTANCE OF 14.75 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT AND THENCE RUNS NOW THE ESTERLY ON A STRAIGHT LINE FOR A DISTANCE OF 30 FEET TO A INTERSECTION WITH SAID LINE A-B, IN COOK COUNTY, ILLINOIS.

PARCEL 3: LOTS 5 AND 6 IN DEMPSTER'S SUBDIVISION OF BLOCK 66 IN THE VILLA'Z (KOW CITY) OF EVANSTON IN THE SOUTHWEST QUARTER OF SECTION 18. TOWNSHIP 41 NORTH, RANCE 14, IN COOK COUNTY, ILLINOIS.

PARCEL 4: LOTS 7, 8, 9, 10, 11 AND 12 IN DEMPSTER'S SUBDIVISION OF BLOCK 66 IN THE VILLICE (NOW CITY) OF EVANSTON IN THE SOUTHWEST QUARTE OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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**EXHIBIT 2** 

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#### 40. COVENANTS

The City covenants and agrees that, provided the Hotel is open and operating, the City

Property shall not be used for hotel use until the termination of the Downtown II Tax Increment

Development Plan and Project.

#### 48. CINEMA PARKING

Provided that the property is being used as a Cinema, the Cinema shall have free parking for its movie patrons in the public parking garage for up to four (4) hours per day for the period of the initial term of its lease, twenty (20) years, from the date said Cinema opens for business. If it is determined, at the expiration of the twenty (20) year period that the patrons of a majority of movie theatres within the trade area of the Cinema are paying for parking, the City reserves the right to charge the patrons of the Cinema for parking at a rate which shall not place the Cinema at a competitive disadvantage to those theatres. Provided the Cinema exercises its option to extend its lease term beyond twenty (20) years, the City, at the completion of each five (5) year option period for a maximum of twenty (20) years beyond the initial twenty (20) year term, shall determine if a majority of the patron's of the movie theaters within the trade area of the Cinema are paying for parking. If a majority of such movie theatre patrons are paying for parking, the City may charge the patrons of the Cinema for parking at a rate which shall not place the Cinema at a competitive disadvantage to those theatres. If the patrons of a majority of movie theaters in the trade area are not paying for parking when the foregoing determinations are made by the City, then the City shall not charge the patrons of the Cinema for parking. At the expiration of forty (40) years, the City shall have the right to charge patrons of the Cinema for parking at the rate it charges the general public. At the termination of the Cinema lease or a

change in use of the Cinema property to other than Cinema, the City's agreement contained in this paragraph shall terminate.

#### 49. HOTEL PARKING

One hundred spaces shall be made available for the benefit of the Hotel in the public parking garage.

#### 50. VALET PARKING

The Developer and the Cinema shall have the right to conduct non-exclusive valet parking at no cost to use City in the public parking garage.

#### PARKING GARAGE

The City agrees that it will maintain, repair and, if destroyed or damaged by casualty, rebuild the public parking garage for a period of twenty (20) years from the time said garage opens for business.

#### 53. PERFORMING ARTS CENTER CONTRIBUTION

Provided the City proceeds to construct the performing arts center either on the City

Property or within a five block radius of the Subject Property, Developer agrees to contribute the sum of Two Hundred Fifty Thousand Dollars (\$250,000) to the City at the time of, and contingent upon, the City's conveyance of the Developer Property to the Developer. Said contribution shall be used only for the construction of performing arts center in either of the above described locations.

In the event the Developer Property is not conveyed, but the City proceeds with the development of a performing arts center in either of the above described locations, the Developer will consider, but shall not be obligated to make a contribution to the City for said performing arts center in an amount to be determined by the Developer in its sole discretion.

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In the event the City does not elect to construct the performing arts center upon the City Property in the location shown on the Site Plan, the Developer shall have the right to approve any alternate use proposed for the portion of the City Property on which the ground floor portion of the performing arts center was to have been built. Such approval shall not be unreasonably withheld or delayed. The foregoing right of approval shall be memorialized and recorded in the land records of Cook County, Illinois at the time of conveyance of the Developer Property to the Developer.

The City agrees the in the event construction of a qualifying performing arts center is not commenced within twenty-four months (24) from the date on which the closing of the Main Pavilion Construction Loan (as that term is defined in paragraph 7.VII below), Developer shall have no obligation to make any contribution to a performing arts center under this paragraph 53 of the Agreement.